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Promoting Global Food Security: Development and Diplomacy

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Good morning Chairman Kerry, Ranking Member Lugar, and members of the Committee. Thank you for the opportunity to update you on the Administration's food security initiative, Feed the Future and our efforts to address global food security. As your leadership has highlighted, food security is one of the highest priorities for U.S. development assistance. Food security ranks as a high development priority not simply because the United States is determined to meet our moral obligation as a great nation. The food security of developing nations is integral to our national security--hunger and poverty perpetuate instability, and food shortages are acutely destabilizing. Developing bodies and developing economies both need steady sustenance to thrive. Food security facilitates stable lives and sturdy, resilient nations. Our comprehensive approach seeks to respond to the staggering scope of the food security problem, a problem that has expanded in size in the past few years, affecting the lives of more than 1.1 billion people who suffer daily from want of this most basic of human need.

There is growing momentum and a higher level of cooperation to address this problem on a global level. Last July, in L'Aquila, the President secured from our international partners a commitment of \$22 billion to combat food insecurity over the next three years. Global leaders agreed to a set of common principles for effective coordination, aligned behind country-led strategies, meaning investment planning that would be supported by developing countries themselves, as well as through development assistance and other support. Those principles were reaffirmed by 120 countries in Rome last November. And just last week, Canada hosted the donor community for a review of the commitments made last summer, highlighting transparency and accountability to the L'Aquila agenda, as well as the pledges made to accomplish it.

Members of Congress, especially members of this Committee, are determined to address this problem. Increased budgets for agriculture development and continued support for global food security legislation have brought renewed attention to how agricultural-led growth can reduce poverty and hunger. The Global Food Security Act, sponsored by Senators Lugar and Casey, captures the strong commitment of the United States to align resources behind approaches that work. I would like to personally thank you both, as well as Representatives McCollum and McGovern, for your leadership on this critical initiative. We look forward to working with you on this important legislation as it moves forward. With a broad base of support, coordination within the international community, and leadership from both ends of Pennsylvania Avenue, we can capitalize on this moment to leverage a global effort of significant proportions to fight hunger and under-nutrition.

It was a predecessor of mine, USAID Administrator William Gaud, who coined the term Green Revolution. That this term is known around the world is a testament to what U.S. leadership can mean. The Administration's FY 2011 budget request reflects a 30 percent increase for agriculture and nutrition programs over our 2010 base request, excluding Critical Priority Countries, and I believe this is an important step forward. This request reflects a coordinated, government-wide strategy that expands support for both bilateral and multilateral assistance programs. We recognize that this is a tough budgetary time and that

coming from such a low budget base for agriculture as recently as 2008, the FY 2011 budget looks ambitious. But this is one of our highest priorities and will require resources that address the scale of a problem affecting a billion people very directly and millions more globally. To illustrate just how far things had fallen, in 1982, USAID had an agricultural budget of \$1.2 billion. That is equivalent to \$2.9 billion today. In 1979, agricultural programs made up 18 percent of all development assistance, and productivity gains in the developing world were running 3 percent per year and generating enormous benefits. By 2008, agriculture's share had dropped to just 3.5 percent of development assistance, while productivity growth of developing country farmers lagged at less than 1 percent growth per year, not enough to meet growing needs and far below what is needed to drive poverty reduction. In real terms, 2008 agricultural programs levels from all donor countries were \$3.5 billion, less than half of what was invested in the mid-1980s.

The global agricultural system is more interconnected today than it was during the first Green Revolution. What happened in global food markets in 2007-2008 showed just how vulnerable the poor are in the face of price shocks. But this complexity also opens new pathways to success. For example, the rapid rise and transformation of small-scale dairy - in countries as diverse as Kenya and India - involves not only the introduction of modern animal husbandry practices but also the development of modern marketing chains. New enterprises aggregate the production of numerous small-scale producers - men and women with just a few cows each. These aggregators get the milk on the main roads for delivery to urban processors and ultimately to consumers. The impact is enormous. From the increase in incomes to those small scale producers, to the jobs created by the transportation and processing industry, through to the improved nutrition of millions of poor families who benefit from the addition of dairy in their diets.

With the support of Congress, we are poised to bring American technical leadership to the complex task of promoting food security around the globe. By establishing new relationships with existing partners, such as the World Bank Global Agriculture and Food Security Program, as well as finding new local partners, we will fulfill our commitments to embrace a new, goal-oriented, evidence-based approach to achieving food security. We will support country-led plans and priorities in countries committed to policies that are conducive to rapid development progress.

We are reshaping the agency to tackle food security more effectively by capitalizing on America's comparative advantages. There are aspects of American approaches to development that I would like to expand upon as these will be crucial to our long-term success. First, we are advancing a strategic and robust research agenda that promotes innovation in science and technology. Second, we are supporting entrepreneurial, market-based approaches to agricultural growth; and third, we are making targeted investments to meet the unique needs of women who make up the majority of the farming labor in our countries of focus.

The United States is an admired innovator and early adapter in the area of agricultural technology. Thus, among global aid agencies, USAID is uniquely qualified to provide agricultural development assistance. From the spread of conservation practices in Zambia and South Asia to adapting biotechnology for small-scale farmers, the U.S. can leverage the expertise of U.S. universities and industry in partnership with established and emerging agriculture leaders in developing countries.

Earlier this month, over 900 agricultural researchers from around the world gathered in Montpellier, France to chart a new way forward that would strengthen partnerships between global and developing country research systems and hold those systems more accountable for impact. Dr. Gebisa Ejeta, the recent World Food Prize Winner and special advisor to USAID on agricultural research, spoke on my behalf about the renewed U.S. commitment to research and strengthening the capacity of developing countries to deliver new technologies and more sustainable management practices to their farmers. The message from Montpellier was clear-the world needs to produce more food, but often with less land and water, and greater climatic uncertainty-the only feasible option is to use science and information to sustainably increase agricultural productivity. This "sustainable intensification" requires purpose-driven research and solid partnerships, both key areas for U.S. leadership.

We will provide 8 percent of our budget in FY 2011 for global research-which represents a major increase. But with this expansion comes challenges. The CGIAR System (Consultative Group on International Agricultural Research) is defining new research programs with specific outcomes targeting hunger and poverty-transformative technologies such as drought tolerant maize, wheat that resists heat, drought and stem rust, and rice that needs less water-that will strengthen food security for millions of smallholder families across Africa, Asia and Latin America. Our university partners are similarly being challenged to design research programs that generate outcomes and build capacity that target clear and compelling priorities.

These investments will be multiplied by country-level investments to train scientists and strengthen the faculty and curricula of agricultural universities that will produce the next generation of agribusiness leaders, policy makers, and innovators. And we are challenged to strengthen both public and private extension systems to deliver the benefits of research to small-scale producers.

These are the type of investments that drove agricultural growth during the 1970s and 1980s. Dr. Ejeta himself embodies the impact of those investments. His education - from high school in Ethiopia to graduate research at Purdue University - was funded, in part, by USAID. USAID's investment in Dr. Ejeta paid off a thousand fold when he invented improved sorghum varieties that benefited the lives of countless Africans. These partnerships are also a key component of the Global Food Security legislation that Senators Lugar and Casey are sponsoring and we welcome these important investments.

I also feel very passionately about U.S. leadership in support of market-based solutions to agricultural growth. Increases in both public and private sector investments in developing countries are essential to accelerating economic growth and poverty reduction.

In Feed the Future, we place significant emphasis on linking small farmers to markets - from connecting them to growing urban markets to promoting regional trade as a means to increase the availability of food and increase incomes. Through value chain approaches, we not only help strengthen and professionalize producers, but we help support growth in transport, processing, and marketing industries that will broaden growth of the whole sector. We can help small-scale producers segue from subsistence agriculture to growing their own farming businesses.

For example, in West Africa, USAID projects like the Sustainable Tree Crop program are transforming the lives of small-scale farmers. Private partners, including Mars, Hershey, Nestle and Kraft are helping secure a vital supply chain for cocoa while protecting the livelihood of more than 1.5 million farmers in the industry. The program includes a farmer field school that is helping producers in a farmer to farmer approach with key lessons, disease control and knowledge extension. This is an ideal partnership between West African farmers and U.S. companies.

We have several such opportunities to unlock the private sector investments in agriculture. Our programs can and will go a long way, but the real heavy lifting will come from our developing country partners as they must commit to market solutions for agricultural development. Rwanda set a very good precedent for other countries on this front. At the Rwanda portfolio review of the Country Investment Plan for Agriculture in February, a multitude of stakeholders including donors, civil society and private sector representatives came around the table to agree upon investment priorities and then coordinate and align investment actions. The public investments coming from the Government of Rwanda and donors are designed to catalyze growth by creating an enabling environment for the private sector to participate more actively in the agriculture sector. Specifically, public resources are geared toward building infrastructure necessary to support market development, streamlining processes and regulations to reduce the transaction costs for industry, and reducing the risk for companies to invest in new markets through innovative financing mechanisms.

We continue to encourage such multi-stakeholder reviews which emphasize the engagement with the private sector so that our collective public investments can unleash sustained, commercial opportunities over the long term. We have private sector advisors from the U.S. reviewing each country investment plan and we are working with our developing country partners to ensure there is a robust representation from local and regional commercial players at each of the country-level reviews.

A third aspect of our approach relates to gender. The American ideal of gender equality permeates through our approaches to economic development as we intentionally target our work to meet the unique needs of women. Seventy percent of African farmers are female. In order to make the most of our food security funds, we must focus on these women who are the leaders of agriculture in Africa. Last year, I met one such woman - a successful Uganda farmer named Manyomga Justine. She farms about two acres of land-a plot that is considered large in her community. It took us several hours to reach her on a horribly slow dirt road, and Manyomga does not own a vehicle. She doesn't benefit from extension services, have access to credit, or the ability to ascertain market information in an efficient manner. Like most African farmers, she uses no mineral fertilizer.

And should production fall, there are no safety nets to help her or her family. I met with Manyomga's neighbors who described how recent viral diseases in cassava and bacterial wilt disease in banana had devastated their food production, forcing them to pull children out of school, and making them go hungry.

Manyomga does well by African small farm standards, and she is hopeful that she will continue to be able to send her kids to school. She dreams that they will receive university educations so they can lead productive lives. She is participating in a program through a local NGO, to improve yields of her sweet potato crop. But, new crop varieties alone - especially without access to better markets - will not lead to the type of agricultural transformation required to reduce poverty and hunger at scale.

When you take a step back and look at the entire chain-from caring for the soil, to planting the seeds, to raising, harvesting and selling the crops-you can see all the threats to this woman's livelihood, all the vulnerable links along the chain where the whole enterprise could collapse.

So there is an enormous gap in access to markets as well as in the adoption of new technology, inequalities in laws, rules and norms, especially for women producers. These inequities limit women's access to land and other key productive resources. Moreover, the percentage of agricultural leaders who are women, including researchers and extension agents, is usually less than 15 percent. USAID resources are helping to ensure women can move from low productivity subsistence production to profitable farming, and women are helping lead that transformation. While in Kenya last year, I visited the AWARD program-African Women in Agricultural Research for Development-a program that USAID, in partnership with USDA and the Gates Foundation, has pioneered in order to bring more women into research and to help those already there become leaders. I am pleased to tell you that we are more than doubling our effort in that program this year. We are looking for additional ways to foster the roles of women in science, and also in extension, where new approaches, often in partnership with the private sector are also underway.

Women are especially important to advancing the nutrition agenda. When the wellbeing of women is improved, there is consistent and compelling evidence that agricultural productivity advances, poverty is reduced, and child nutrition improves. Therefore we are committing \$200 million in FY 2011 toward achieving significant reductions in under-nutrition that has crippling effects on a person's ability to learn and produce.

The United States has technical leadership in these areas and, with your support, a strong resource base to apply against solutions we know are effective. We are putting in place a stellar team to carrying out our food security strategy. Ambassador William Garvelink will oversee the effort at USAID as Deputy Food Security Coordinator for Development, to lead the programming of USAID resources and coordinate with other U.S. Government agencies such as the Millenium Challenge Corporation and others to be consistent with our overall strategy. Ambassador Patricia Haslach will lead our diplomatic efforts as Deputy Coordinator for Diplomacy. Ambassador Haslach will lead the effort to imbed food security as a political priority in our embassies. We have hired more than a dozen new Foreign Service officers with expertise in agriculture over the last year with an additional thirty in the process of coming on board.

All of our focus country Missions have already submitted plans for FY 2010 that are now being analyzed and will be the basis for our improved, scaled-up investments in agriculture. The plans outline a multi-agency effort to build the capacity of key actors in government, the private sector, and civil society - those who will lead and implement country-owned plans in food security. Interagency technical collaboration and review is allowing alignment of multiple U.S. government agencies around the development efforts of USAID. These plans will provide the foundation for development of detailed and targeted multiyear strategies in the next few months that we will share publicly to engage partners in our effort and to communicate the results for which we will be accountable.

Action is also happening at the country level. The coordinated effort of multiple stakeholders behind a country-led planning process is a central principle of the global effort. In July of 2009, only one country in Africa, Rwanda, had a comprehensive national agriculture plan. Today there are 17; and by the end of June there will be 25. Several of these will be translated into technically reviewed and costed investment plans around which donors can organize and coordinate our funding. The progress is not only in Africa but also in Latin America and Asia, effectively reversing the trend of disinvestment from the 1980s until 2008.

As early as next month, I will join a meeting hosted by the Prime Minister of Bangladesh with other major development agencies, multilateral organizations, local and international non-governmental organizations and the private sector to chart the next steps towards a coordinated investment plan for food security that spans agricultural development, nutrition, and safety nets for the poorest. This will be a major step forward for Bangladesh as they address food security with their own commitments. The global momentum is great. The advances in technology and research have been powerful, and the sharing of information in real-time is opening new avenues and efficiencies that can make our investments more strategic than ever before. I believe we are at a unique moment in history to make a tremendous change in agricultural productivity, hunger and under-nutrition.

This is not to say it will be easy. Our partners in the developing world must do their part to develop robust, prioritized investment plans that have the buy-in from a broad base of constituents. These plans must represent hard choices and a commitment to doing work different that even we in this country find difficult to do. They must invest more in agriculture despite the difficult economic climate facing us all. They must make policy reforms to change the governance of seeds and fertilizer and to improve the investment climate in agribusiness. We need them to join us in the effort to integrate and grow the roles of women, even while other groups may have more pervasive political influence. These are all tough decisions that require real leadership. I am confident that our resources and flexibility will serve as both carrot and stick in terms of urging them onward.

Not all the burden lies with developing countries. We have many operational and strategic challenges as we take on an issue of this size and magnitude. I fundamentally believe that the programs of USAID will only be effective if aligned with other donors and, importantly, with the broader work of the U.S. Government in each of our countries. Decision making structures must be built that work across agencies. We must develop streamlined processes for reporting on our collective progress. We must recreate an atmosphere for sharing information and solving problems together. This cooperation and coordination is difficult, but absolutely necessary. I am committed to working more effectively across agencies and I am hopeful that with your support we can break down silos so that we can have a united approach to tackling food insecurity and under-nutrition.

In addition to the challenges of implementing a whole-of-government approach, we also have many strategic choices to make about how best to structure our funding to maximize impact. We will need your support and guidance as we do so. First, we need your commitment to having an outcomes- and learning-driven foreign aid agenda. The budget request we have put forth offers our best thinking about budget allocation and more detail will be provided in country, regional, and global investment strategies that we will share. Still, it is imperative for us to allocate future funding based on the progress we are seeing in countries. Such an outcomes-oriented approach requires us to be nimble in our funding - advancing funds where progress is great and being bold in reprogramming funding where countries commitment to change is not there. To be successful in this approach, I recognize the importance of having metrics in place with which we can regularly gauge our success. As you know, I have made monitoring and evaluation an important part of rebuilding USAID's strategic planning and learning. Food security will be on the forefront of those efforts.

In addition to supporting outcomes-driven approach to aid, Congress can be instrumental in supporting the human resource requirements to take on an initiative of this size. While the program funds have grown our operating expenses have not been proportional. Congress' continued support for the Development Leadership Initiative is critical to rebuilding USAID's in-house expertise and I thank you for all you have done to strengthen and invest in that program.

We believe we are on the right track. We know that agriculture development can be a powerful driver of poverty reduction. According to the World Bank, for every one percent growth in agriculture poverty declines by as much as two percent. Although agricultural productivity growth remains at the core of our food security agenda, we know that food security will take more than increasing yields. Productivity growth will not translate into increased incomes unless we help small farmers to access markets, sell their increased yields and thereby generate the income to pull their families and communities out of poverty. We also know that in some countries chronic poverty and repeated hunger crises pose significant challenges and that these challenges require creative, integrated approaches which bridge humanitarian and development efforts.

Today we celebrate Earth Day, and we know that agriculture and the environment are inter-related. We face enormous challenges in addressing climate change. But in the Sahel of Africa, for example, we can see success that marries productivity growth with improved natural resource management. Through wide-scale community-based agroforestry programs, large parts of Burkina Faso and Niger are greener today than they were 30 years ago. Low technology solutions like regenerating on-farm trees from root systems are creating a new agricultural landscape.

With over one billion people suffering from hunger, food security must be one of our top development priorities. It is the most basic of human needs and it is the basis for human development. Children who are under-nourished will not reach their full educational potential, economies cannot grow if workers lack sufficient food to fuel their labor, unsustainable agriculture driven by poverty undermines the environment, and widespread hunger leads to political instability as we saw in the food riots of 2008. I look forward to working with Members of this Committee, and others in Congress, our partners in non-governmental organizations, universities, industry, foundations, multilateral organizations, other donors, and developing countries themselves, to seize this opportunity and redouble progress in cutting poverty and hunger. Thank you.